AVIATION

Not on Supplement to Agenda Item No. 1(E)1

Goal #1:

Determine governance structure for MIA

October 18, 2004

At this time, there is nothing further to report on this matter.

Goal #2:

Expediting the Capital Improvement Program

Status:

On October 7, 2004, the County Manager assigned Dr. Carlos Bonzon, Assistant County Manager, to manage MDAD's Capital Improvement Program (CIP). The duration of this assignment has not yet been determined.

Effective communication between MDAD, stakeholders, state and federal regulatory agencies, other County departments, building trades and engineering / architectural community continues to be the key to successful implementation of the \$4.8 billion CIP.

Completed projects valued at \$1.5 billion include the new Runway 8L/26R, taxiways, taxi-lanes, apron improvements, Midfield and Northside Fire Rescue Facilities, Concourse A, Concourse H, parking garages, widening of upper and lower drives at the terminal, Central Collection Plaza, several improvements within the existing MIA Terminal, underground utility corridors supporting water, sewer, power, storm water, chilled water and hydrant fueling systems distribution.

Projects under construction total approximately \$2.8 billion and include North Terminal Development, South Terminal Development, Central Chiller Plant, Midfield Apron Taxiway Improvements, Miscellaneous Security Improvements, and Total Airport Management Systems (TAMS) including Common Use Terminal Equipment (CUTE), Airport Operations Information Systems (AOIS), Building Management Systems (BMS), Premise Distribution System (PASI). Nine new Gates in the North Terminal, D-Extension area were completed and placed in operation in 2004. Existing Concourse-B Gates are being de-commissioned this month and after selective salvage of equipment and materials, this Concourse will be demolished in early 2005. Overall North Terminal Program schedule has slipped and its current cost estimate exceeds the approved budget.

During the Fiscal Year ending on September 30, 2004, over \$425 million dollars worth of CIP related design, construction, and quality assurance activities were completed and paid for by MDAD. That translates to approximately \$1.7 million every workday and we are projecting the same pace of work through the first quarter of 2006.

The MIA MOVER project to connect MIA to the Rental Car Facility (RCF) via an elevated APM is being readied for advertisement as a Design-Build-Operation-Maintain (DBOM) contract before the end of 2004. The Review Committee has established the CSBE goals for the construction portion of the contract. Because of the recent court ruling regarding County's race and gender-based programs, the Review Committee has to consider the options for the Operation and maintenance portion of the contract.

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Goal #3:

Bring final resolution to the noise problem

Status:

MIA's aircraft noise mitigation program continues with progress on many fronts:

- Completed Phase 1 of the draft Environmental Assessment (EA) for Operational Procedure changes at MIA. FAA has determined that the data needs to be rerun. MDAD disagrees with FAA determination. MDAD has forwarded a letter to the FAA Regional Administrator in Atlanta expressing our disagreement with the FAA's determination and requesting that the proposed operational changes be approved as written. The FAA has in turn not agreed with our position and will require MDAD to provide additional information. A letter to the FAA requesting they tell us exactly what they want us to do has been prepared.
- Phase 2 of Operational Procedure changes to begin upon FAA approval of Phase 1.
- Implementing Noise Mitigation Procedures at Opa-locka Airport (OPF) that were outlined in the EA. The EA was a joint effort between MDAD and the Noise Abatement Task Force for OPF.
- MDAD continues to work with the County Attorney's Office, Planning & Zoning Department and the School Board in fine-tuning the Airport Zoning Ordinance sponsored by Commissioner Diaz. The Board approved this MIA Zoning Ordinance on First Reading on July 13, 2004. On October 12, 2004, the Governmental Operations and Environment Committee (GOE) withdrew the item in favor of its public hearing discussion at the October 18, 2004 Transportation Committee meeting. The GOE Committee did, however, entertain a request from Century Home Builders of South Florida calling for an amendment to the proposed ordinance providing for a variance provision to the Outer Safety Zone. The proposed amendment will be discussed at the Transportation Committee public hearing.
- Site selection and installation work continues on six additional Permanent Aircraft Noise Monitors around MDAD operated airports. Due to difficulties in obtaining permission from Miami-Dade Parks Department as well as the School Board we have contacted the Public Works Department for assistance. Two monitors have been installed around OPF. One is within the City of Opa-locka; the other is on the west side of the airport.
- MDAD is very concerned over the proposed placement of a Charter School (Doral Academy Two) one and one-half miles off the western end of MIA's most northern runways. Under MDAD 's proposed operational procedure changes (EA), this school, if constructed, will be beneath every southbound departure from the northern runways. The proposed school would be located in an industrial park serving airport users and the associated traffic and school speed zones would be incompatible with commercial traffic. MDAD continues to oppose this development.
- Continue to evaluate the Part 150 issue. Presentation on the 150 process pros/cons will be given to the NATF-MIA in October.

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Goal # 4:

Reversing the passenger traffic lost by making significant in-roads into new markets, including low-fare carriers, Europe, Africa, etc.

Status:

Low-cost carriers:

Presentations:

- To one domestic low-cost carrier in September 2003. Possible Spring 2005 service start-up has been indicated. Additional information requested by carrier forwarded during September and October 2004. Follow-up continues.
- To second low-cost carrier conducted in November 2003. Second visit took place July 2004. Follow-up continues.
- To third low-cost carrier conducted on March 15, 2004. Follow-up continues.
- To fourth low-cost carrier conducted July 14, 2004. Possible Fall 2005 service start-up in discussion stage. Follow-up continues.
- To fifth low-cost carrier is being planned for November/December 2004.

As a result of the Commission-directed study on competition for low-cost carriers, MDAD is developing a fuller game plan.

Europe:

<u>Ireland</u>: Presentation conducted to carrier in June 2003. Airline has indicated interest in a Florida destination, but is still limited by ongoing discussions on the US/Irish bilateral treaty, which limits US access. Presentation updated and forwarded to carrier in September 2004.

<u>Belgium</u>: Presentation conducted in June 2003. Follow-up meeting held during September 2004. Carrier requested updated info. May consider code share agreement with US carrier on MIA/Brussels route. No change in status.

<u>Finland</u>: Presentation conducted to air carrier in June 2004. Finnish carrier to start seasonal service at MIA in December 2004; may consider year-round service thereafter. Follow-up continues.

<u>Poland</u>: Presentation to Polish airline conducted in September 2004. Follow-up to commence.

Due, in part, to the success of the new ITI process, Martinair has decided to proceed with its hub development starting October 31st. We have scheduled a celebration for November 17th.

Middle East:

United Arab Emirates: Presentation conducted to carrier in December 2003.

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Follow-up has commenced. Additional presentation materials forwarded to carrier in June 2004 and follow-up correspondence took place in July 2004.

Presentations to carriers from Jordan and Egypt conducted during September 2004. Follow up to commence.

<u>Africa</u>: Individual presentations were conducted between February and June 2003 to airlines in Senegal, Kenya, Nigeria and South Africa.

Status of the African studies is as follows:

<u>Senegal:</u> Private airline interested in Miami service is pursuing financing in order to wet-lease aircraft for the route. No change in status.

<u>Kenya</u>: Nation is under a Category II rating by the FAA. Cannot initiate new service to the US until a Category I rating is achieved. Government is pursuing this goal with the FAA for upgrade in 2004. No change in status.

<u>Nigeria:</u> There is interest in Miami from three private airlines. Nation is also under Category II restraints and needs to pursue FAA upgrade for its airlines to fly to the US. No change in status.

<u>South Africa</u>: Follow-up work and dialogue continues. Additional requests for information and data sent to carrier during March and April 2004. Follow-up discussions took place during July 2004.

Morocco: Presentation to carrier conducted during September 2004. Follow-up to commence.

Asia:

<u>China</u>: Presentation made to major Chinese carrier in May 2004. Follow-up discussions took place with Chinese carrier's Los Angeles office in June 2004.

<u>Hong Kong</u>: Presentation made to carrier in May 2004. Additional information requested from and forwarded to Hong Kong carrier in June, July and August 2004, along with follow-up correspondence.

Presentations conducted during September 2004 to carriers from Japan and Taiwan. Follow-up to commence.

Issues Affecting Visitor Entry into the United States

As previously stated, the federal government has implemented several policies and procedures during the last few years to curtail terrorist activities within the United States. Many of these policies affect visitor entry and commercial trade at national points of entry including airports, seaports and border crossings.

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New Visa Waiver Program Guidelines

The Visa Waiver Program (VWP) allows citizens from 27 countries, including Great Britain, France, Germany, Japan, and Australia; to enter the U.S. as temporary visitors without having to obtain a visa, as is normally required.

Approximately 3,000 VWP nationals enter MIA's Federal Inspection Service (FIS) area daily. Beginning on September 30, 2004, DHS and CBP began processing VWP country nationals into US-VISIT (the automated, biometric system that records the arrival of foreign nationals), adding 15 - 30 seconds per VWP national to the federal immigration and customs inspection. MDAD has been concerned that due to the increased number of passengers being processed into US-VISIT, all passengers at MIA's FIS facilities will experience even longer lines and increased congestion following the September 30, 2004 implementation date. MIA's FIS facilities already have the dubious distinction of having one of the longest average passenger wait times of any airport in the country.

Since the September 30th implementation, MIA's FIS facilities remain congested with long lines during peak periods. While some of this congestion is due to the configuration of MIA's facilities, CBP still appears to be short-staffed at peak periods, a primary reason for MIA's long wait times at its customs and immigration inspection stations. MDAD has included the CBP staffing issue in the federal legislative package to come before the BCC this fall.

Machine Readable Passports

The 2002 Border Security Act required that no later than October 26, 2004, the governments of the VWP countries issue their nationals Machine Readable Passports (MRP) that incorporate biometric identifiers. Many of these countries were not prepared to meet the deadline for incorporating biometrics into their passports, and at the State Department's request, Congress extended the deadline for including biometrics in the MRPs by one year to October 2005. The MRP deadline itself is still in effect for October 26, 2004.

CBP officials have said they do not anticipate the need to extend the MRP deadline, but airlines and airports are concerned that in the event that visitors from VWP countries are unable to obtain a machine readable passport, they will be forced to obtain visas which the State Department has already indicated would be problematic to issue in large numbers and in a short period of time. There is also the question of families or groups traveling together where some members of the group do not have machine-readable passports while others do. This could create confusion and congestion at the point of origin and (or) the point of entry, potentially discouraging travel to the United States.

MDAD informed its international airlines of the new requirement and asked that they elevate concerns to their national governments, which can request an extension if deemed necessary. The State Department has not and will not request an extension unless VWP foreign governments request such for valid reasons.